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Cap 2

✓ UNITED STATES DEPARTMENT OF AGRICULTURE  
Rural Electrification Administration  
Washington 25, D. C.

AL 1R1  
AA 5R1

February 25, 1952

✓ LOAN AND POWER USE MEMORANDUM 1R1

✓ ACCOUNTING AND AUDITING MEMORANDUM 5R1

SUBJECT: Use of Loan Funds for Power Use and Member Education Program

The purpose of this revision is to bring this memorandum in line with revised Administrative Bulletin No. 119R1, issued 11-28-51.

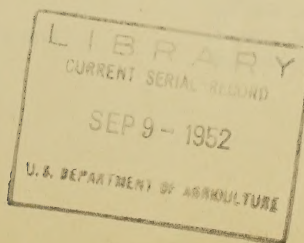
Plant procurement orders have been eliminated from REA procedures. The purchase of general plant items, such as office equipment, demonstration and testing equipment, transportation equipment, etc., needed by the electrification advisers, does not now require specific approval prior to the advancing of available funds. However, the Section Office of the Applications and Loans Division may be of considerable assistance to you in the purchase of these items. It is recommended that your needs for these items be discussed with them prior to their purchase.

As in the past, all power use funds will be held in reserve, under Item 17, until the estimated budget submitted by the borrower to cover a period of twelve months is approved by the Applications and Loans Division. The approved amount will then be transferred to Item 13a subject to requisitioning by the borrower.

Office, transportation and educational equipment required for a twelve month period shall be included in the estimated budget from each borrower where such equipment is for the use of the electrification adviser. When additional equipment is needed it may be included in a subsequent budget.

Here is a revised list of items that may be financed under budget Item 13a - Power Use Activities:

1. Salary - Electrification Advisers.
2. Office Equipment for the use of the electrification adviser. This includes such items as desks, chairs, filing cabinets, typewriters and other similar equipment.



3. Office Supplies and Newsletters:  
Stationery, stencils and postage used in the preparation and mailing of letters and literature strictly for wiring, plumbing and other member education activities; mimeographing or other printing costs of such newsletters and literature.
- \*4. Demonstration and Testing Equipment:  
Wiring test sets, wiring demonstration panels, light meters and other similar equipment. Also, non-permanent and portable demonstration equipment such as hay drier fans, large motors, portable irrigation pipe, lighting equipment, small appliances, etc.
- \*5. Transportation Equipment for electrification adviser.  
(Passenger, panel, or pick-up)
- \*6. Permanent Home and Farm Equipment:  
Ranges, sinks, refrigerators, washers, clothes driers, ironers, hand irons, food mixers and other usual household appliances for demonstration kitchens, utility rooms, and other similar permanent demonstration sites. Welders, grinders, air compressors, forges, and other similar usual farm shop equipment for demonstration farm shops, and other permanent farm equipment demonstration sites. (Note - This item, No. 6, differs from No. 4 in two respects. First, it is usual consumer equipment. Second, it is for use at a more or less permanent demonstration site.)
- \*7. Visual Aid and Sound Equipment:  
Projectors for movies, strip films, slides, photographic equipment and amplifier systems; professionally prepared charts and other similar educational equipment and material for exhibits, meetings, etc.

\* Note: It is recommended that these items be discussed with the A & L Section Office prior to their purchase



BUDGET ITEM 13a

<u>Accountability</u>	<u>Account Number</u>
1. Salary - Electrification Adviser	*146 787
2. Office Equipment	**372
3. Stationery, stencils, postage, printing, etc.	*146 787
4. Demonstration & testing equipment, wiring test sets, demonstration panels, light meters, etc.	**376
5. Transportation Equipment (a) Mileage, operation and maintenance	**373 787
6. Consumer Equipment for Demonstrations (Installed and used at more or less permanent demonstration sites.)	**379
7. Projectors, film, photographic equipment, film rental, amplifying equipment, charts and similar educational equipment (If of a permanent nature.)	*146 787 **379

\* Account 146 may be charged with these items when such charges occur prior to energization of the first completed section of the system or when such charges may be related to a subsequent section or sections. The deferment period should be as short as practical and in no instance should exceed four years. Should any question arise regarding the deferment of these items, it is suggested that you write REA direct for assistance and recommendations.

\*\* Equipment which is to be depreciated according to REA procedure.

Note: Please submit an estimated budget to the Section Head, A & L Division, showing the amounts required for each item to cover a period of twelve months. This should conform to items as shown above.

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